

Article - Environment

[\[Previous\]](#)[\[Next\]](#)

§2–901.

(a) (1) In this section the following words have the meanings indicated.

(2) “Business entity” means:

(i) A person conducting or operating a trade or business in Maryland; or

(ii) An organization operating in Maryland that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code.

(3) “Cash in lieu of parking program” means an employer–funded program under which an employer offers to provide a cash allowance to an employee in an amount equal to the parking subsidy that the employer would otherwise pay or incur to provide the employee a parking space.

(4) “Guaranteed ride home” means immediate transportation provided by a business entity for an employee who:

(i) Receives any of the commuter benefits described in subsection (b)(1) or (2) of this section or commutes by way of a nonmotorized method of transportation; and

(ii) Is required to leave work early for illness or other verifiable reason.

(5) “Instrument” means a pass, token, fare card, voucher, or similar item.

(6) “Parking subsidy” means:

(i) The difference between the out–of–pocket amount paid by an employer on a regular basis to secure the availability of an employee parking space not owned by the employer and the price charged to the employee for use of that space; or

(ii) For parking owned or leased by the employer as an integral part of a larger facility, the fair market value of a parking space provided by the employer for parking commuter vehicles, as determined:

1. By considering typical costs paid or incurred by users of nearby equivalent paid parking spaces, by evaluating the annual amortized cost of constructing and operating the parking space divided by the number of work days per year the space is ordinarily used; or

2. By other reasonable and justifiable means.

(b) A business entity may claim a tax credit in an amount equal to 50% of the cost of providing the following commuter benefits to the business entity's employees:

(1) If provided for the purpose of travel between the employee's residence and place of employment, any portion of the cost of transportation to or from a location in the State in a vehicle or an instrument that is used to offset any portion of the cost of transportation to or from a location in the State in a vehicle:

(i) With a seating capacity of at least six adult individuals;
and

(ii) At least 80% of the annual mileage of which is incurred:

1. For the purpose of transporting individuals between their residences and their places of employment; and

2. On trips where the number of employees transported together is at least one-half of that vehicle's adult seating capacity;

(2) An instrument that:

(i) Entitles an individual, at no additional cost or at a reduced fare, to transportation to or from a location in the State on a publicly or privately owned mass transit system other than a taxi service; or

(ii) Is redeemable at a transit pass sales outlet for the purpose stated in item (i) of this item; or

(3) For an employee who resides or works in the State:

(i) A cash in lieu of parking program; or

(ii) A guaranteed ride home.

(c) The credit allowed under this section may not exceed \$100 per individual employee per month.

(d) (1) The credit allowed under this section may not exceed the total tax otherwise payable by the business entity for that taxable year, determined before the application of the credit under this section but after the application of any other credit.

(2) The unused amount of the credit under this section for any taxable year may not be carried over to any other taxable year.

[\[Previous\]](#)[\[Next\]](#)